

ETHICS ADVISORY 99-01 - Gifts for Departing and Retiring Personnel (Reminder - See EA # 98-09)

As we approach the season of reassignments and retirements, let's review the rules on giving gifts to our commanders, directors and supervisors.

The *Standards of Ethical Conduct for Employees of the Executive* Branch has a "special, infrequent occasion" exception to the general rule that we should not give gifts to our official superiors. Reassignment or transfer outside of the superior-subordinate chain and retirement are two examples of "special, infrequent occasions" where employees may honor another's service to our organization and the Army with a gift appropriate to the occasion. Also, this is one of the two situations when it is permissible to solicit other employees to contribute to a gift.

However, there are restrictions.

1. The maximum value of any gift(s) from a donating group generally may not exceed \$300. Gifts that are also given to the spouse are included in the \$300 maximum. However, this limit does not include the value of the food, refreshments and entertainment provided to the honoree and his or her personal guests at the event that marks the occasion. In addition, plaques and similar items for presentation purposes only and with no intrinsic value (e.g. no sterling silver or gem encrusted engraved plates) are not considered to be gifts, and are not included in the \$300 limit.

2. If an employee contributes to the gift from two different donating groups (e.g., the CSM contributes to both the enlisted personnel gift and to the command group's gift to the departing commander), the total value of the two gifts may not exceed \$300.

3. The maximum that may be solicited from other employees is \$10, although an employee may contribute more than \$10 on his or her own initiative.

4. Employee participation and the amount of contribution must be entirely voluntary.

5. We may not solicit from "outside sources." For example, we may not solicit contributions from support contractors or their employees, and we may not accept contributions from them for this gift.

What's a "donating group"? That depends on the situation. In deciding on "donating groups," consider the basic rule and the appearances. We want to avoid situations where employees feel compelled to participate because of a competitive atmosphere, with one organization wanting to outdo another, or other reasons. We want

to make sure that the person being honored is not embarrassed. Finally, as a very practical matter, the honoree has only so much wall space, places to put "things," and storage. A few years ago, a very senior officer retired, and, at his quarters, he had two garages full of gifts and plaques and momentos. The officer kept a very small fraction of what was in the two garages, and the rest was left either for Army museums or disposal.

Keep the "donating groups" to the minimum necessary to honor the departing employee.

When the situation arises where the employees of your organization want to collect money for a gift for a departing employee, it is best to seek the advice of your Ethics Counselor before you begin to solicit. What you want to avoid is the situation where the honoree must either return the gift, or pay you fair market value for it.

Mike Wentink Room 7E18, 617-8003
Associate Counsel & Ethics Counselor

Alex Bailey, Room 7E18, 617-8004
Associate Counsel & Ethics Counselor

Stan Citron, Room 7E18, 617-8043
Associate Counsel & Ethics Counselor